VZCZCXYZ0001 PP RUEHWEB

DE RUEHPE #1153/01 1892255

ZNY CCCCC ZZH
P 072255Z JUL 08

FM AMEMBASSY LIMA
TO RUEHC/SECSTATE WASHDC PRIORITY 8957

INFO RUEHAC/AMEMBASSY ASUNCION PRIORITY 2010
RUEHBO/AMEMBASSY BOGOTA PRIORITY 5860
RUEHBR/AMEMBASSY BRASILIA PRIORITY 7903
RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 3433
RUEHCV/AMEMBASSY CARACAS PRIORITY 1198
RUEHLP/AMEMBASSY LA PAZ JUL 4926
RUEHMN/AMEMBASSY MONTEVIDEO PRIORITY 9550
RUEHQT/AMEMBASSY QUITO PRIORITY 1987
RUEHSG/AMEMBASSY SANTIAGO PRIORITY 1954
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY
RUMIAAA/USCINCSO MIAMI FL PRIORITY

CONFIDENTIAL LIMA 001153

SIPDIS

E.O. 12958: DECL: 07/07/2018 TAGS: <u>PGOV PREL PINR PE</u>

SUBJECT: NATIONAL STRIKE ON JULY 8TH - 9TH

REF: A. LIMA 2400 <u>¶</u>B. LIMA 1131

Classified By: Charge James D. Nealon for reasons 1.b and d.

11. (C) Summary: On July 8th to 9th, a variety of leftist unions, parties, and social movements across Peru will join a general strike against the government called by Peru's largest and most radical union, the General Confederation of Peruvian Workers (CGTP). A relatively new organization called the Political-Social Coordinator (CPS), which seeks to unify Peru's leftist opposition, is reportedly coordinating the groups backing the CGTP. Our contacts broadly agree that Lima will see generally peaceful protests managed effectively by a large police presence, but that protests outside Lima are a larger unknown and a greater risk. Of particular concern to USG interests is a march planned in Ayacucho to protest the New Horizons military-humanitarian mission and other local issues. The government, meanwhile, is working overtime to diffuse and blunt the impact of the protests. End Summary.

National Strike Against Government

- 12. (C) On July 8th to 9th, a variety of leftist unions, parties, and social movements around Peru will join a general strike called by Peru's largest and most radical union, the General Confederation of Peruvian Workers (CGTP). According to a Peruvian National Police assessment shared with our RSO, some 38 groups plan to support the CGTP-led strike, including opposition leader Ollanta Humala's Peruvian Nationalist Party (PNP), the communist Patria Roja, and the radical teacher's union SUTEP. CGTP organizers also claim to have support from eight of twenty-five regional presidents, including the presidents of Cusco and two key mining regions, Ancash and Cajamarca. In addition to the national strike, a handful of social movements in various regions have planned protests focused on local issues to occur on the same dates.
- 13. (C) CGTP leaders in a June conversation with Ambassador McKinley outlined their myriad complaints: low salaries, high living costs, government criminalization of protests, privatization of "strategic sectors" such as ports, and "lack of food security". Beyond these concerns, our social movement contacts say the main purpose of the strike is to embarrass and undermine a government they view as "neoliberal" and concerned only with helping the rich. At a recent diplomatic event, CGTP's Vice President approached another leftist leader and asked him (in the presence of poloff): "How do we get rid of this government?"

The Emergence of the Political-Social Coordinator

14. (C) Reportedly organizing the groups backing the CGTP strike is a relatively new organization called the Political-Social Coordinator (CPS). Formed in March 2007, the CPS is a federation of union, social movement, and anti-systemic political party representatives that seeks to unify leftist opposition to the government. Since its establishment, the CPS helped organize national protests in July and November 2007. CGTP leaders told poloff that they run the CPS in coordination with other unions and hope to convert the movement into a political party in November 2008. (Note: The CGTP leaders said the party inauguration was timed to coincide not with APEC, but with the anniversary of an 18th Century indigenous rebellion against Spanish colonial rule. End Note) Another leftist Embassy contact described the CPS as a political tool for opposition leader Ollanta Humala, designed to mobilize the left behind his eventual 2011 presidential candidacy.

Lima Protests Manageable, Greater Risk in Regions

15. (C) Our contacts broadly agree that Lima will see generally peaceful protests managed effectively by a large police presence, but that protests outside Lima are a larger unknown and a greater risk. One leftist leader that participates in the CPS told poloff that the protests are much better planned than the national strike in July 2007 (Ref A) and said he expects twice as many participants in Lima -- about 10,000 total -- but does not know what will happen in the provinces. Another leftist contact said he believes Lima will remain calm but expects flashpoints in several impoverished regions that have ongoing social conflicts. The National Police expect up to 20,000 protestors in Lima, and a series of highway blockades and protests around government buildings in the regions.

Protests in Ayacucho Against New Horizons -----

16. (C) Of particular concern to USG interests is a march planned in Ayacucho to protest the New Horizons military-humanitarian mission and other local issues. Local radical leaders -- backed by a drumbeat of false articles in Ollanta Humala's newspaper La Primera as well as recent comments by Bolivian President Evo Morales (Ref B) -- have worked hard over the past month to convince locals that the US plans to establish a counternarcotics base in the area. One contact with ties to Ayacucho radicals told poloff he believes this message has confused the population and expects the protest to be large. Other Ayacucho sources, however, say that protest leaders do not plan to leave the capital Huamanga to approach the New Horizons areas of operation. (Note: As a precaution, New Horizons will not operate during the protest. End Note)

Government Working Overtime to Diffuse Strikes _____

 $\underline{\mbox{1}} \mbox{7.}$ (C) Prime Minister Jorge del Castillo in recent weeks has held negotiations with various unions and social movements in an effort to blunt the impact of the protests. A leftist political analyst described the government's strategy as divide and conquer" and told poloff that many groups believe they can get more concessions in these individual negotiations while the threat of protests looms. Del Castillo has claimed to have successfully dissuaded several groups from protesting, including the agricultural federation Conveagro, which led strikes and roadblocks in several regions in February 2008. An Embassy contact linked to strike organizers said that the government is also seeking to buy off individual protestors with gifts and payments to poor neighborhoods. One press article says the Prime Minister has offered fifteen soles (about five dollars) for transportation costs to government workers that report to work during the strike.

Comment: Protests a Bellwether for Opposition

18. (C) The anti-systemic opposition appears determined to make a strong showing, and probably hopes to demonstrate that it is gaining strength by outdoing the national strike in July 2007, when protestors around the country slowed commerce to a crawl (Ref A). Conversely, the government appears to hope that a small turnout will embarrass the opposition and show that Peruvians are increasingly convinced the country is on the right economic and political path. After Wednesday, we may have a clearer idea of who is winning the competition for Peru's hearts and minds.

NEALON